period for the applicable calendar year payment adjustment period.

[77 FR 69368, Nov. 16, 2012, as amended at 78 FR 74820, Dec. 10, 2013]

# §414.1215 Performance and payment adjustment periods for the value-based payment modifier.

- (a) The performance period is calendar year 2013 for value-based payment modifier adjustments made in the calendar year 2015 payment adjustment period.
- (b) The performance period is calendar year 2014 for value-based payment modifier adjustments made in the calendar year 2016 payment adjustment period.
- (c) The performance period is calendar year 2015 for value-based payment modifier adjustments made in the calendar year 2017 payment adjustment period.

[77 FR 69368, Nov. 16, 2012, as amended at 78 FR 74820, Dec. 10, 2013]

## $\$\,414.1220$ Reporting mechanisms for the value-based payment modifier.

Groups of physicians subject to the value-based payment modifier (or individual eligible professionals within such groups) may submit data on quality measures as specified under the Physician Quality Reporting System using the reporting mechanisms for which they are eligible.

[78 FR 74820, Dec. 10, 2013]

#### §414.1225 Alignment of Physician Quality Reporting System quality measures and quality measures for the value-based payment modifier.

All of the quality measures for which groups of physicians or individual eligible professionals are eligible to report under the Physician Quality Reporting System in a given calendar year are used to calculate the valuebased payment modifier for the applicable payment adjustment period, as defined in §414.1215, to the extent a group of physicians or individual eligible professionals within such group submits data on such measures.

[78 FR 74820, Dec. 10, 2013]

### §414.1230 Additional measures for groups of physicians.

The value-based payment modifier includes the following additional quality measures for all groups of physicians subject to the value-based payment modifier:

- (a) A composite of rates of potentially preventable hospital admissions for heart failure, chronic obstructive pulmonary disease, and diabetes. The rate of potentially preventable hospital admissions for diabetes is a composite measure of uncontrolled diabetes, short term diabetes complications, long term diabetes complications and lower extremity amputation for diabetes.
- (b) A composite of rates of potentially preventable hospital admissions for dehydration, urinary tract infections, and bacterial pneumonia.
- (c) Rates of an all-cause hospital readmissions measure.

#### §414.1235 Cost measures.

- (a) Included measures. Beginning with the CY 2016 payment adjustment period, costs for groups of physicians subject to the value-based payment modifier are assessed based on a cost composite comprised of the following 6 cost measures (only the measures identified in paragraphs (a)(1) through (5) of this section are included for the value-based payment modifier for the CY 2015 payment adjustment period):
- (1) Total per capita costs for all attributed beneficiaries.
- (2) Total per capita costs for all attributed beneficiaries with diabetes.
- (3) Total per capita costs for all attributed beneficiaries with coronary artery disease.
- (4) Total per capita costs for all attributed beneficiaries with chronic obstructive pulmonary disease.
- (5) Total per capita costs for all attributed beneficiaries with heart failure.
- (6) Medicare Spending per Beneficiary associated with an acute inpatient hospitalization.
- (b) Included payments. Cost measures enumerated in paragraph (a) of this section include all fee-for-service payments made under Medicare Part A and Part B.
- (c) Cost measure adjustments. (1) Payments under Medicare Part A and Part